TEMPORARY DUTY (TDY)

GENERAL

Per diem is a travel allowance provided as a daily payment in lieu of reimbursement of actual expenses during government directed travel. Soldiers deployed under Temporary Change of Station (TCS) orders, Temporary Additional Duty (TAD) orders, or Group Travel Orders (unit movement orders) are entitled to per diem.

The amount of per diem is based on the availability of lodging and mess and the incidental expense rate specified by the Per Diem, Travel, and Transportation Allowance Committee for the location. The current specified incidental expense rate for all overseas locations is $3.50 per day. The current specified expense rate for all CONUS locations is $3.00 per day. Specified lodging and meal rates vary by location.

In general, deployed soldiers only receive the incidental portion of per diem as military lodging and meals are available throughout the theater. However, order issuing authorities have the authority to grant exceptions and authorize the higher local rates where the situation warrants.

Soldiers do not receive per diem during rest and recreation leaves.

TEMPORARY DUTY (TDY) EXAMPLES OF INCIDENTAL EXPENSES

- Fees and tips to bellhops, maids, and porters
- Telephone calls necessary to reserve lodging
- Mailing costs associated with filing travel vouchers and paying government charge cards
- Any expenses related to rooms, lodging, or valet service
- Potable water and ice
- Personal laundry/dry cleaning and pressing of clothing. (Note: This is reimbursable for CONUS travelers TDY for 7 consecutive days or longer. It is NOT a separate reimbursable expense for OCONUS travelers.)

Incidental expenses should not be listed on a travel settlement voucher (DD Form 1351-2). These expenses are covered by the daily incidental expense portion of per diem.

TEMPORARY DUTY (TDY)
ACCRUAL VOUCHER

Soldiers deployed in the CENTCOM theater of operations in support of Operations Iraqi or Enduring Freedom are not authorized to file accrual vouchers unless costs on their government-procured charge card have been incurred.

The accrual voucher is an advance of travel entitlements, not a final settlement. Defense Finance and Accounting Service (DFAS) will collect accrual payments if a final settlement voucher is not submitted in a timely manner. To file an accrual voucher, complete a travel settlement voucher (DD Form 1351-2) in the same manner as for a regular travel settlement but only **claim entitlements for the previous 30 days**. (NOTE: DFAS will only pay 30 days in an accrual even if more are claimed.) Annotate "ACCRUAL #1" clearly on the top of the form. The next month annotate "ACCRUAL #2", and so on.

Fax or mail the voucher, along with supporting documents such as required receipts, order copies, etc., to the DFAS Center servicing the home station. Sometimes DFAS will designate one DFAS center as the processing site for all travel related to an operation. In this event, the in-theater servicing finance unit will provide guidance on where to file accruals.

Ensure a copy of any accrual payment is included on the final TCS claim.

TEMPORARY DUTY (TDY)
FINAL SETTLEMENT VOUCHER

All active duty soldiers must submit their final vouchers **within 5 days of redeploying to home station. All reserve component soldiers must submit their final voucher within five days of demobilization.** All soldiers are required to file a final settlement voucher even if no advances or accruals were received during the TDY period.

To file a settlement voucher, complete a travel settlement voucher (DD Form 1351-2) covering the entire TCS/TAD period. Be sure to annotate clearly any internal TDY periods and to claim any accrual payments.

Fax or mail the voucher, along with supporting documents such as required receipts, order copies, accrual voucher copies, travel advance vouchers, copies of deployment and return manifests, internal TDY settlement vouchers, etc. to DFAS. Active component personnel should send their voucher to the DFAS Center servicing their home station. All reserve component personnel must send their voucher to the DFAS-Indianapolis for processing. The in-theater servicing finance unit and the demobilization site will provide reserve component the address upon return. Ensure you keep a copy of the entire

FAMILY SEPARATION ALLOWANCE (FSA-II)

Family Separation Allowance (FSA-II) is intended to offset added housing expenses incurred by a member due to enforced separation from dependents. It will appear as FSH on the Leave and Earning's Statement (LES). FSH is payable to any member with dependents who is TDY for more than 30 days and the dependents are not residing at or near the TDY station. Entitlement stops if the soldier returns to home station for more than 30 days during the TDY period. FSH is generally payable to a dual military service member with no dependents if the couple were residing together before being separated and are deployed to different locations. (Only one member is entitled even if both are deployed).

As of 1 October 2002 FSH is payable at $250 per month ($8.33 per day). This amount reverts back to $100 per month on 1 October 2004 unless Congress enacts legislation to further extend the increased amount. Entitlement begins the day of departure from home station and ends the day prior to return to home station.

Soldiers are required to complete a DA Form 1561 before this entitlement may start. Agents may not sign the DA Form 1561 on behalf of the soldier.

BASIC ALLOWANCE FOR SUBSISTENCE (BAS)

Basic Allowance for Subsistence (BAS) is a cash allowance intended to help reimburse soldiers for expenses incurred when subsisting themselves.

During a contingency deployment BAS is normally payable to all officers, warrant officers, and enlisted members. Soldiers designated as Essential Station Messing (ESM) prior to deployment will have their entitlement changed to BAS Type S (Standard BAS). Soldiers drawing Type S or Type R (Ration Not Available (RNA)) will see no change to their BAS entitlement.

For 2003 the specified rate for officers is $167.20 per month. The specified rate for enlisted is $242.81. Entitlement begins the day of departure and ends the day of return to home station.

BAS is not collected for meals consumed while deployed. Instead, the soldier forfeits the meal portion of per diem when subsisted at no charge. TCS/TAD orders should reflect any time periods when soldiers are not subsisted at no charge. During those time periods the applicable per diem rate will apply.

BASIC ALLOWANCE FOR HOUSING (BAH)

Basic Allowance for Housing (BAH) is a cash allowance intended to help reimburse soldiers for expenses incurred when quarters are not provided by the government.

During a contingency deployment BAH entitlement does not normally change. **Active component soldiers who were entitled to BAH prior to deployment generally continue to receive BAH unless other circumstances change (e.g. designated authority revokes soldier's authorization to reside off-post).** Likewise, soldiers who were not receiving BAH generally continue non-receipt unless other circumstances change (e.g. soldier's spouse uses power of attorney to terminate government quarters). Reserve component soldiers must establish entitlement to BAH upon mobilization.

For active component soldiers BAH rates vary by rank, dependent status and assigned permanent duty station. During deployment the BAH rate continues to be based on the assigned permanent duty station. This rate does not change even if dependents choose to relocate to another area for duration of the deployment.

BASIC ALLOWANCE FOR HOUSING (BAH) continued

For **reserve component soldiers** BAH rates very by rank, dependent status and home of residence zip code. During deployment, soldiers are entitled to BAH-I if maintaining a residence. Rate of BAH-I is based on home of residence zip code and applicable dependency status. Soldiers without dependents are entitled to BAH-partial if not maintaining a residence unless the soldier utilizes entitlement to special storage of household goods. **Reserve component** soldiers utilizing special storage of household goods and not maintaining a residence are not entitled to BAH.

Soldiers paying child support who have no other dependents are entitled to BAH-DIFF. If a soldier paying child support who has no other dependents also maintains a residence the soldier is entitled to BAH-DIFF and BAH-I at the without dependent rate. Utilization of special storage of household goods does not impact entitlement to BAH-DIFF.

All **reserve component** soldiers must complete a DA Form 5960 upon mobilization and provide substantiating documentation for the home of residence claimed.

COST OF LIVING ALLOWANCE (COLA)

Cost of Living Allowance (COLA) is a cash allowance intended to enable an equitable standard of living in areas where costs of living is unusually high.

Members permanently assigned to designated areas receive this entitlement. During a contingency deployment, COLA entitlement does not normally change. Soldiers who were entitled to COLA prior to deployment generally continue to receive COLA. ***Soldiers deploying from an area not qualifying for COLA are not entitled to COLA while deployed even if the deployed location is a designated COLA area.***

COLA rates vary by rank, dependent status, dependent number and assigned permanent duty station. During deployment the COLA rate continues to be based on the assigned permanent duty station. The rate normally does not change as long as command sponsored dependents remain in the designated area.

HARDSHIP DUTY PAY - LOCATION (formerly Certain Places Pay, formerly Foreign Duty Pay)

Hardship Duty Pay – Location for Designated Areas (HDP-L) is a special pay intended to compensate members serving in locations where living conditions create undue hardship on the service member.

It is payable to all service members who are performing official duties for more than 30 days in a designated hardship duty location (see entitlements map).

HDP-L rate varies with location. Specified amounts are monthly amounts paid on a daily basis (e.g. $50 HDP-L rate equates to $1.33 per day; $100 HDP-L rate equates to $3.33 per day; $150 HDP-L rate equates to $5 per day). Entitlement begins the day of arrival in the designated location and ends the day of departure. Specified amounts are maximum receivable for a given month.

When applicable, in-theater servicing finance units will start HDP-L entitlement after arrival in theater.

HOSTILE FIRE/IMMINENT DANGER PAY (HFP)

Hostile Fire/Imminent Danger Pay (HFP) is a special pay intended to compensate members serving in locations where the member is subjected to imminent danger and/or hostile fire.

It is payable to all service members who are performing official duties in a designated HFP area (see entitlements map).

As of 1 October 2002 the normal specified rate for HFP is $225 per month. This amount reverts back to $150 per month on 1 October 2004 unless Congress enacts legislation to further extend the increased amount. One day spent in a designated HFP area qualifies the member for the entire monthly amount.

In-theater servicing finance units will start HFP entitlement after arrival in theater.

COMBAT ZONE TAX EXCLUSION (CZTE)

GENERAL

Combat Zone Tax Exemption (CZTE) exempts members who serve in designated hostile fire pay areas from payment of income taxes. Both federal and state income taxes are exempted.

Any soldier serving in a designated Combat Zone or in a designated HFP zone performing direct support to operations within a designated Combat Zone is entitled to CZTE.

For officers, the amount of pay up to the base pay of the Sergeant Major of the Army plus HFP is eligible for the exemption. For 2003 this amount is $5,957.70. Income earned beyond this amount is fully taxable. For enlisted members all eligible pay is exempt.

Leave earned while in a CZTE area is also excluded from income taxes. For tax purposes, leave earned in the CZTE area is the first leave used after leaving the CZTE area. Reenlistment bonuses contracted in the CZTE area are excluded from federal income taxes. Installments from prior contracts are not exempted. Social Security and Medicare deductions will continue to be deducted from pay.

COMBAT ZONE TAX EXCLUSION (CZTE)

TYPES OF PAY EXLUDED

The following military pay can be excluded from income:

NOTE: Soldiers do not have to receive the pay while in a combat zone, but it must be paid for service there or for a period during which they were hospitalized as a result of their service there.

1. Active duty pay earned in any month they served in a combat zone.

2. Student loan repayments that are attributable to periods of service in the combat zone provided a full year's combat zone service is performed to earn the repayment.

3. A reenlistment bonus if the voluntary extension or reenlistment occurs in a month they served in a combat zone.

4. Pay for accrued leave earned in any month served in a combat zone.

5. Pay received for duties as a member of the armed forces in clubs, messes, post and station theaters, and other non-appropriated fund activities. The pay must be earned in a month the member served in a combat zone.

6. Awards for suggestions, inventions, or scientific achievements members are entitled to because of a submission they made in a month they served in a combat zone.

SAVINGS DEPOSIT PROGRAM (SDP)

The Savings Deposit Program provides opportunity for service members to deposit up to $10,000 into an account earning interest at a rate of 10% per annum, compounded quarterly.

Soldiers performing official duties in designated areas may participate in the program (see entitlements map). To be eligible the soldier must be contemplating duty in the designated area for 30 days or longer.

Soldiers may contribute through allotment (preferred method) or cash deposits (e.g. cash or negotiable instrument). Soldiers may make one lump sum $10,000 deposit or may choose to make monthly deposits instead. Monthly deposits are limited to an amount up to their net unallotted current pay and allowances (end-of-month net pay) for that month.

Agents with a power of attorney authorizing them to start, stop or change allotments may start a SDP allotment on behalf of the deployed member once the deployment entitlements are showing in the soldier's pay account. Agents with a power of attorney authorizing them to make investments on the soldier's behalf may deposit cash, money orders, traveler's checks or cashier's checks. Agents may not deposit personal checks

SPECIAL LEAVE ACCRUAL (SLA)

Special Leave Accrual (SLA) is the authority to exceed a 60-day leave balance at fiscal year end. It is not an additional form of leave. SLA is intended to provide relief to soldiers not allowed leave during lengthy deployments or periods of hostility. ODCSPER is the proponent for SLA. Governing rules are prescribed in AR 600-8-10, Leaves and Passes.

There are three types of SLA. Category I involves soldiers who served in a HFP area for 120 continuous days. Category II involves soldiers who served in a HFP area for less than 120 continuous days or deployed for any length of time in a non-HFP zone. Category III involves soldiers who supported an operation without deploying and was unable to take all leave in excess of 60 days.

The first LTC commander is the approval authority for Category I SLA. Human Resources Command (HRC) is the approval authority, after endorsement from COL or higher commander, for Category II and III SLA.

Soldiers who earned SLA while in a HFP area have 3 fiscal years to take the leave. All others have 1 fiscal year after the fiscal year qualifying service ended. After approval, leave is debited from the leave account using the last in, first out

INCOME TAX FILING

Armed forces members who served in a CZTE area or a qualified hazardous duty area are automatically granted an extension on certain tax matters. These actions include: Filing any return of income, estate, or gift tax (except employment and withholding taxes); Paying any income, estate, or gift tax (except employment and withholding taxes); Filing a petition with the Tax Court for redetermination of a deficiency or for review of a Tax Court decision; Filing a claim for credit or refund of any tax; Bringing a suit for any claim for credit or refund; Purchasing a replacement residence to postpone paying tax on the gain on the sale of the old residence; Making a qualified IRA contribution; Allowing a credit or refund of any tax by IRS; Assessment of any tax by the IRS; Giving or making any notice or demand by the IRS for the payment of any tax or for any liability for any tax; Collection by the IRS of any tax due; Bringing suit by the United States for any tax due.

Direct questions regarding your individual tax situation to your local Tax Center or Staff Judge Advocate office.

INCOME TAX FILING (continued)

Automatic extension is for 180 days after the later of: The last day the taxpayer is in a combat zone (or the last day the area qualifies as a combat zone), or the last day of any continuous qualified hospitalization for injury from service in the combat zone.

Note: **If the IRS takes any actions listed or sends a notice of examination before learning that the taxpayer qualifies for a deadline extension, the taxpayer should return the notice with "COMBAT ZONE EXTENSION – OPERATION XXXXX" written across the top. No penalties or interest will be imposed for failure to file a return or pay taxes during the extension period. The IRS, however, will pay interest on a refund from the due date of the return if the return is timely filed after applying the deadline extension.**

Spouses of individuals who served in a combat zone are entitled to the same deadline extension with two exceptions:
1. The extension does not apply to a spouse for any tax year beginning more than two years after the date that combat activities end.
2. The extension does not apply to a spouse for any period the qualifying individual is hospitalized in the United States for injuries incurred in a combat zone.